



Provider Name  
Provider Address  
Provider City, State, Zip

August 15, 2003

## **IMPORTANT MEDICAID PAYMENT INFORMATION**

### **Dear Washington Medicaid Provider:**

Washington State Department of Social and Health Services Medical Assistance Administration (DSHS/MAA) is actively preparing for the approaching **October 16, 2003 deadline for HIPAA** Transaction and Code Set compliance.

To help prepare for the changes that lie ahead, MAA would like to communicate vital information about the following questions:

- 1) How Will DSHS Provide Continuity of Payment During HIPAA Transition?
- 2) What is DSHS' HIPAA Implementation Approach and Schedule?
- 3) How Do Providers Test with DSHS?
- 4) How Do Providers Enroll with DSHS to Exchange HIPAA Compliant Payment Data?

These topics are explained in more detail in the attached pages.

We look forward to working closely with our providers as we make the transition to HIPAA compliance.

## **1. How Will DSHS Provide Continuity of Payment During HIPAA Transition?**

### **DSHS/MAA Will Continue To Operate And Support It's Current Systems For Claims Submittal And Payment On And After October 16, 2003.**

After careful research and consideration, DSHS has made the decision to offer "Dual Support."

Dual Support means that rather than reject any electronic transaction that is not fully HIPAA-compliant, we will continue to offer our trading partners the same functionality that they previously used to conduct business with us. This allows those entities struggling with timely compliance to continue to conduct business with us without resorting to non-electronic processes, and without losing access to the vital information previously received. Dual Support is intended to preserve an uninterrupted flow of services to our clients and uninterrupted flow of data and payment to our trading partners.

Some specific examples of dual support include:

- Continued DDE access to MMIS,
- Continued MEVS functionality, and
- Continued processing of claims through the ECS system

Dual support will not be offered perpetually. Rather, as the industry comes into compliance with HIPAA, DSHS/MAA will continue to evaluate the business needs surrounding it. We will notify our stakeholders well in advance of discontinuing the dual support options.

## **2. What is DSHS' HIPAA Implementation Approach and Schedule?**

### **DSHS/MAA Will Use A Phased Approach To Implement The Transactions Required By HIPAA.**

Like many states across the nation, the MAA HIPAA project will have difficulty addressing each and every feature of the HIPAA standard transactions by October 16, 2003. To meet the objective of achieving HIPAA compliance while maintaining business continuity, the HIPAA project has conducted a business priorities exercise that resulted in the following multi-phased implementation approach:

#### **October 2003**

- Acceptance and processing of HIPAA compliant transactions from submitters who are ready and registered with DSHS including;
  - Claims submission (837);
  - Enrollment and Dis-Enrollment in Health Plans (834);
  - Eligibility for a Health Plan Inquiry and Response (270/271);
  - Cut over to the HIPAA-compliant Pharmacy Point of Sale (POS) system;
  - Distribution of HIPAA-compliant desktop claim (837) submission software;
- Availability of an internet-based application for interactive eligibility inquiry/response.

#### **January 2004**

- Acceptance and processing of the remaining HIPAA transactions from submitters who are ready and registered with DSHS including;
  - Health Plan Premium Payments (820);
  - Health Care Payments and Remittance Advices (835);
  - Health Claim Status Inquiry and Response (276/277);
  - Referral Certification and Authorization (278);

- Health Claim Status for Pended Claims (277 unsolicited);
- Functionality for Nursing Home Claims & Payments via 837-I and 835.
- Expansion of the internet-based application for interactive transactions including: premium payments, remittance advices, claim inquiry/response and referral/authorization.

### **3. How Do Providers Test with DSHS?**

#### **Sending A Test Batch(s) Of Claims To MAA Is The Best Way To Ensure Your Claims Payments Will Be Uninterrupted When You Convert To HIPAA Compliance.**

Submitting a HIPAA compliant claim to MAA may be more complicated than in the past and may require more steps. Successfully sending claims to MAA will require the cooperation of your software vendor and clearinghouse; and the enrollment with MAA's electronic data interchange partner.

Along the transmission path, each claim gets checked for various levels of compliance and data content. Working out the wrinkles and new requirements with test claims may prevent frustration when you're counting on real claims to process and pay without delay.

MAA *strongly recommends* each provider send a batch of HIPAA test claims to make sure all processes are working correctly. Details and instructions for sending test claims will soon be posted on the DSHS/MAA web page at <http://maa.dshs.wa.gov/dshshipaa/>.

### **4. How Do Providers Enroll with DSHS to Exchange HIPAA Compliant Payment Data?**

#### **Providers And Submitters Need To Enroll With MAA's Electronic Data Interchange Partner Before They Can Submit HIPAA Compliant Transactions.**

MAA has selected ACS EDI Gateway Inc. as its EDI partner.

ACS EDI needs to know who you are and what transactions you will be submitting so it can process your HIPAA compliant claims and deliver them correctly to MAA.

If you plan to submit transactions directly to MAA, you need to enroll with ACS EDI as a provider and tell them your submitter number or obtain a submitter number if you do not have one.

If you plan to use a clearinghouse or billing agent to submit your transactions, you need to enroll as a provider with ACS EDI and tell them information about your clearinghouse/billing agent.

In either case, you need to enroll and provide important information about interacting with ACS EDI.

The following pages include instructions and forms for completing the enrollment process.

Additional information is available on our web page at <http://maa.dshs.wa.gov/dshshipaa/>.